

# IMPORTANT INFORMATION

## **2008 - 2009 Audit, Compliance Attestation and Agreed-Upon Procedures Guidelines for Contractors Receiving Assistance through the Pennsylvania Coalition Against Rape (PCAR) and/or Pennsylvania Coalition Against Domestic Violence (PCADV)**

Attached are the audit, compliance attestation and agreed upon procedures guidelines which we ask that you review thoroughly and also forward a copy to your auditors. **This document is also available on PCADV's web site at [www.pcadv.org](http://www.pcadv.org) and at PCAR's website at [www.pcar.org](http://www.pcar.org).** Should you have any questions concerning the Audit Guidelines, please feel free to contact either of the following:

### **PCAR**

Lisa Myers, CFE, CPA CFFA,FCPA  
Boyer & Ritter CPAs  
211 House Avenue  
Camp Hill, PA 17011  
(717) 761-7210  
FAX (717) 761-7134  
[e-mail : lmyers@cpabr.com](mailto:lmyers@cpabr.com)

### **PCADV**

Daniel Sturm, CPA  
McKonly & Asbury LLP  
P.O. Box 1331  
Harrisburg, PA 17105  
(717) 761-7910  
FAX (717) 761-7944  
[e-mail: dsturm@macpas.com](mailto:dsturm@macpas.com)

Should you have questions concerning any other issues concerning funding, please contact:

### **PCAR**

Heather Pachkoski  
125 North Enola Drive  
Enola, PA 17025  
(800) 692-7445  
FAX (717) 728-9781  
[email: hpachkoski@pcar.org](mailto:hpachkoski@pcar.org)

### **PCADV**

Roberta Brennan  
6400 Flank Drive, Suite 1300  
Harrisburg, PA 17112  
(800) 932-4632  
FAX (717) 545-9456  
[email: rb@pcadv.org](mailto:rb@pcadv.org)

## **IMPORTANT DATES AND INFORMATION**

1. Engagement letters to be received by the applicable Coalition by May 22, 2009. **Please complete Engagement Letter Checklist I and return it with the engagement letter.** If you are a dual Center you must send one copy to PCAR and one copy to PCADV. **Electronic copy submission is acceptable and preferred.**
2. Contractors will be notified by June 10, 2009 **only** if there are any deficiencies in the engagement letters received.
3. Copies of the financial report to be received by the applicable Coalition by October 30, 2009. If you are a dual Center you must send one copy to PCAR and one copy to PCADV. **Electronic copy submission via email is acceptable and preferred.**
4. PCAR budget revisions for Act 44 and Title XX and PCADV budget revisions for funding of Act 44, SSBG/CLR and FVPS are due June 19, 2009. The due date for PCAR budget revisions for Rape P&E and PHHSBG will be announced at a later date. All other PCADV budget revisions should be received no later than May 22, 2009. **NO EXTENSIONS WILL BE GRANTED.**

**2008 - 2009 Audit, Compliance Attestation, and Agreed-Upon Procedures Guidelines for Contractors Receiving Assistance through the Pennsylvania Coalition Against Rape (PCAR) and/or Pennsylvania Coalition Against Domestic Violence (PCADV)**

FROM: Daniel Sturm, CPA, McKonly & Asbury LLP  
and  
Lisa Myers, CFE, CPA, CFFA, FCPA, Boyer & Ritter

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### **New Requirements and Pronouncements**

The following is a list of changes and guidance pertinent to these guidelines for the year 2008-2009; we highly recommend reviewing this information and the packet to ensure compliance with all new and existing requirements. We would like to continue to emphasize the requirement for additional disclosure in the financial statements by all Contractors receiving assistance, which are detailed in the Specific Requirements – General section of this packet and are outlined in Checklist II question.

- I. OMB Circular A-133 Compliance Supplement March 2008.
- II. AICPA Audit Risk Alert, Government Auditing Standards and Circular A-133 Developments 2008
- III. Commonwealth of Pennsylvania, Department of Public Welfare Administrative Bulletin Number 2005-04: Introduction to DPW Audit Policy
- IV. Commonwealth of Pennsylvania, Department of Public Welfare Audit Clause Policies and Revisions-Reissued in September 2008 – See excerpts attached herein.
- V. 2008 DPW Single Audit Supplement (Administrative Bulletin 2008-11, issued June 30, 2008).
- VI. Commonwealth of PA Department of Health Audit Requirements (for PCAR Contractors)

### **General Instructions**

The enclosed audit guidelines are intended to be used by you and your auditors as a reference for completion of the audit/attestation requirements for programs funded by the Pennsylvania Department of Public Welfare (DPW) and the Pennsylvania Department of Health (DOH), if applicable, as administered by PCAR and PCADV. Please review this information carefully. The Contractor is responsible for assuring that the reporting package is submitted to the Coalition(s) on time and completed in accordance with audit guidelines.

Throughout these guidelines, you will discover the frequent usage of the following: and/or. And/or is being used because the audit guidelines were jointly prepared by PCAR and PCADV. Depending upon your organization's situation, you may be a contractor for either PCAR or PCADV or for both Coalitions.

**Contractors are required to meet the audit requirements specific to their funding level only.**

They are not required to meet the requirements applicable to funding levels below their expenditure levels. (Example: An organization that is required to have an examination (\$300,000 - \$499,999) is not also required to have agreed upon procedures performed.)

- I. Organizations that expend \$500,000 or more a year in Federal awards must comply with all Federal audit requirements, including: the Single Audit Act, as amended; the revised Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*; and any other applicable law or regulation, as well as any other applicable law or regulation that may be enacted or promulgated by the Federal government. Organizations will need to prorate the cost of the audit among all funding sources.
- II. In the absence of a federally required audit, the Organization should apply the following procedures to determine their reporting requirements:
  - A. Organizations that expend \$500,000 or more in combined state and Federal funds, per contract, during the program year are required to have an audit of those funds made in accordance with generally accepted Government Auditing Standards (The Yellow Book), revised, as published by the Comptroller General of the United States of America. The cost of this type of audit will be a reimbursable expense to be paid from the state portion of the respective contracts. You will need to prorate the cost of the audit between the contracts.

Organizations that expend between \$300,000 and \$499,999 in combined state and Federal funds, per contract, during the program year are required to have an annual examination of its compliance with the terms of the contract and conditions of the contract, as well as applicable program regulations. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements (SSAE), Section 601, (see guidance in paragraphs .30 - .72 and sample report on page 33 of these guidelines) *Compliance Attestation*, and shall be of a scope acceptable to the DPW, DOH, PCAR, and PCADV as enumerated in the specific requirements contained herein.

The independent auditor shall issue a report on its compliance examination as defined in SSAE, Section 601. A Certified Public Accountant or firm of Certified Public Accountants shall conduct this engagement. The cost of performing the engagement will be a reimbursable expense to be paid from the state portion of the respective contracts. Organizations will need to prorate the cost of performing the engagement to the appropriate contracts.

- B. Organizations that expend less than \$300,000 combined state and Federal funds, per contract, during the program year are exempt from audit requirements, but are required to maintain auditable records per each contract year. Records must be available for review by appropriate officials of DPW, DOH, PCAR and/or PCADV. It would be appropriate to maintain these records for one year subsequent to receiving your settlement letter from DPW or the federally required time limit, whichever is longer.

Organizations that expend less than \$300,000 combined state and Federal funds, per contract, will be required to submit to PCADV / PCAR Agreed-Upon Procedures performed as enumerated in the specific requirements contained herein. A Certified Public Accountant or firm of Certified Public Accountants shall conduct these procedures. The cost of performing the procedures will be a reimbursable expense to be paid from the state portion of the respective contracts. You will need to prorate the cost of performing the agreed-upon procedures between the contracts.

- III. If an organization's June 30, 2008 audit report disclosed significant deficiencies or material weaknesses in its internal control, the auditor shall prepare a status report on those prior year findings as part of the agreed-upon procedure engagement.

Questions or comments regarding all issues, other than the audit guidelines, should be directed accordingly as follows:

**PCAR**

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Heather Pachkoski  
125 North Enola Drive  
Enola, PA 17025  
(800) 692-7445  
FAX (717) 728-9781  
[e-mail: hpachkoski@pcar.org](mailto:hpachkoski@pcar.org)

**PCADV**

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Roberta Brennan  
6400 Flank Drive, Suite 1300  
Harrisburg, PA 17112  
(800) 932-4632  
FAX (717) 545-9456  
[email: rb@pcadv.org](mailto:rb@pcadv.org)

Questions or comments regarding the audit, compliance attestation or agreed-upon procedures guidelines should be directed accordingly as follows:

**PCAR**

Lisa Myers, CFE, CPA CFFA,FCPA  
Boyer & Ritter CPAs  
211 House Avenue  
Camp Hill, PA 17011  
(717) 761-7210  
FAX (717) 761-7134  
[e-mail: lmyers@cpabr.com](mailto:lmyers@cpabr.com)

**PCADV**

Daniel Sturm, CPA  
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P.O. Box 1331  
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FAX (717) 761-7944  
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All contractor reports will be subject to the applicable firms' approval. Any deficiencies are to be corrected within ten days of notification. A letter describing the deficiencies will be mailed to the contractor and their auditor. The request for extensions should be sent to Roberta Brennan for PCADV contractors and to Heather Pachkoski for PCAR contractors.

## GENERAL INSTRUCTIONS

### 1. DUE DATES

- a. Engagement Letter - One properly executed copy of the audit engagement letter, Compliance Attestation engagement letter, or Agreed-Upon Procedures engagement letter is to be received by PCAR and/or PCADV prior to May 22, 2009. Dual contractors are permitted to obtain one engagement letter covering both contracts; however, **ONE COPY OF THE ENGAGEMENT LETTER SHOULD BE SENT TO BOTH PCAR AND PCADV.**

**DO NOT SEND COPIES OF THE ENGAGEMENT LETTERS TO THE AUDITORS FOR PCAR AND PCADV.** The auditors, on behalf of PCAR and/or PCADV, will review the engagement letters and will advise of any unacceptable letters. If you do not hear from PCAR and/or PCADV by June 10, 2009, you may assume that the auditors, on behalf of PCAR and PCADV, have accepted your engagement letter.

Your auditor should have participated in an "Internal Quality Control Review" or "Peer Review." A copy of their Peer or Quality Review letter must accompany your engagement letter to PCAR and/or PCADV.

In addition, a statement or letter must accompany the engagement letter whereby the auditor attests to compliance with paragraph 3.46 of the July 2007 revision of Government Auditing Standards.

- b. Report - PCAR and/or PCADV must receive the final audit reporting package as described in the accompanying checklists on or before October 30, 2009. One copy of each must be submitted to each applicable Coalition. If you are a dual Center, one copy must be submitted to each Coalition. **DO NOT SEND COPIES OF THE REPORT TO THE AUDITORS FOR PCAR AND PCADV.**

### 2. SELECTION OF AN AUDITOR

- a. Auditors retained from 2007-2008 must submit an engagement letter. If your auditor encountered particular difficulties completing the prior year's examination as evidenced by audit deficiency letters, you should consider obtaining proposals from other CPA firms.
- b. In circumstances where a contractor is unable to engage a CPA firm because of cost or lack of CPA's in the geographic area, the representatives listed on page 1 should be contacted to submit a proposal to perform the audit of the contractor.

## **GENERAL INSTRUCTIONS-CONTINUED**

### **3. PCAR AND PCADV AUDITORS**

- a. Contractors and their auditors receiving technical assistance related to these guidelines from McKonly & Asbury LLP and/or Boyer & Ritter CPAs will be billed directly for such assistance.

### **4. BUDGET REVISIONS**

- a. PCAR budget revisions for Act 44 and Title XX and PCADV budget revisions for funding of Act 44, SSBG/CLR and FVPS are due June 19, 2009. The due date for PCAR budget revisions for Rape P&E and PHHSBG will be announced at a later date. All other PCADV budget revisions should be received no later than May 22, 2009. **NO EXTENSIONS WILL BE GRANTED.**

### **5. CONFIRMATION PROCEDURES**

Auditors will receive the following information directly from PCAR and/or PCADV. It will not be necessary to submit a request for confirmation to their offices. The information will include the signature of a PCAR or PCADV representative.

- a. Payments made to the Contractor after June 30, 2009, for the period July 1, 2008 through June 30, 2009.
- b. Payments made through June 30, 2009, for the period July 1, 2008 through June 30, 2009.
- c. Amounts due to the Contractor at June 30, 2009, for the period July 1, 2008 through June 30, 2009.
- d. Confirmation of the total Revenue amount by Funding Source for the period July 1, 2008 through June 30, 2009.

### **6. FEDERAL FINANCIAL ASSISTANCE**

The amount awarded under each applicable CFDA# has been provided to the Contractor. Please review this material when preparing your schedule of federal financial assistance and before contacting PCAR/PCADV.

## **SPECIFIC REQUIREMENTS - GENERAL**

### **1. MATCH REQUIREMENTS**

- a. The current requirement for match varies depending upon the amount of the Program's PCAR and/or PCADV allocation(s). Only monies actually received and expended during the period July 1, 2008 through June 30, 2009 for allowable sexual assault and/or domestic violence services, as defined by contract, can be considered in meeting a programs' match obligation. In-kind contributions will not be considered in meeting the match requirement for PCADV contracts. Allowability of in-kind contributions for PCAR contracts should be determined after consulting with PCAR. Eligibility of match funding will be determined under the Community Support Requirements.
- b. The footnotes to the financial statements must include a section on the match requirements stating that the monies were expended during the current contract period. Auditors are to perform appropriate procedures to determine whether the match requirements were met.

### **2. AUDIT FEES**

If the contractor's report covers program expenditures funded by sources other than DPW and DOH, if applicable, allocations, the audit fee must be prorated accordingly. DPW and DOH, if applicable, allocations will not pay for the total audit cost in such cases.

### **3. DUAL CONTRACTORS**

Contractors receiving allocations from both PCADV and PCAR may submit an audit report, which includes both allocations. The financial data, although included in the same report, must be properly segregated. The management letter should apply to both funding streams.

### **4. FINANCIAL DATA**

- a. Financial data must be reported on the accrual basis of accounting.
- b. **Financial statements shall contain individual schedules of Budgeted, Reported and Allowable Costs by the funding sources listed below.** Combining funding sources for presentation purposes is not acceptable. A funding reconciliation should be included to reconcile the activity under each PCAR and/or PCADV program. Funding Sources include the following:

## SPECIFIC REQUIREMENTS – GENERAL - CONTINUED

### 4. FINANCIAL DATA (CONTINUED)

**PCAR -Funding Sources: Provide a schedule of budgeted, reported and allowable costs for each source.**

Act 44

Title XX

PHHSBG - (note: there will be two schedules – one for each contract year - for this funding source as a result of the DOH contract period overlapping two audit periods. Refer to Sample Schedules in the Exhibits section of these Audit Guidelines)

Rape P&E - (note: there will be two schedules – one for each contract year - for this funding source as a result of the DOH contract period overlapping two audit periods. Refer to Sample Schedules in the Exhibits section of these Audit Guidelines)

**PCADV -Funding Sources: Provide a schedule of budgeted, reported and allowable costs for each source.**

Title XX

General Funds: Act 44/Medical Advocacy

FVPS

SDFSCA

Act 222

PHHSBG

SSBG/Welfare

SSBG/Medical Advocacy

SSBG Civil Legal Representation

SSBG Relocation Funds

Expenditures must be reported by approved budget line items. Personnel costs may be summarized by total salaries and fringe benefits.

- c. Definitions of terms used to support the Schedule of Budgeted, Reported, and Allowable Costs contained in the Appendix Section of these guidelines:
1. Approved Budget - The line item amounts reported in this column must reflect the contractor's final PCAR and/or PCADV approved budget (include date of latest revisions).
  2. Reported Costs - The amounts reported in this column must reflect actual expenditures and should agree to the invoices submitted by the contractor to PCAR and/or PCADV.

## **SPECIFIC REQUIREMENTS – GENERAL - CONTINUED**

### **4. FINANCIAL DATA (CONTINUED)**

3. Allowable Costs, Per Audit - The amounts reported in this column must reflect actual program expenditures as determined by the audit. Where amounts are different from reported costs, a copy of the auditor's adjustments must be submitted to Boyer & Ritter CPAs for PCAR contracts and McKonly & Asbury LLP for PCADV contracts.
4. Allowable Costs-Over/Under Budget - The amounts reported in this column would be the difference between budgeted and allowable expenditures.
5. Questionable Costs - The amount reported in this column must reflect costs reported in the allowable cost column when the contractor disagrees with a cost deemed unallowable by the auditor. PCAR/PCADV will make the final determination as to whether the questionable costs are allowable.

The auditor should submit a complete explanation as to the reason why the costs are being questioned.

### **5. SEXUAL ASSAULT AND/OR DOMESTIC VIOLENCE BUDGET**

The financial statements should include a separate footnote that shows the ACTUAL dollars spent under the organization's Sexual Assault Budget during the period July 1, 2008 through June 30, 2009. This means expenditures from all funding sources used for Sexual Assault program purposes. At a minimum, the dollar amount in this footnote must include the total expenditures incurred under all PCAR contracts plus match and assessment.

## **SPECIFIC REQUIREMENTS –GENERAL-CONTINUED**

The financial statements should include a separate footnote that shows the ACTUAL dollars spent under the organization's Domestic Violence Budget during the current contract period. This means expenditures from all funding sources used for Domestic Violence program purposes. At a minimum, the dollar amount in this footnote must include the total contract plus match and assessment.

In-kind donations are not includable for PCADV contracts and are includable for PCAR contracts only with PCAR's approval.

### **6. INTEREST INCOME**

Interest earned on excess DPW allocations can be used for direct services related expenditures only. It is the management's responsibility to insure that all excess interest earnings were used to fund Sexual Assault and/or Domestic Violence contract related expenditures. The financial statements should state specifically within the footnotes to the financial statements that the interest earned was expended appropriately by the contractor. If no interest was earned on excess program funds, the footnote must disclose that fact.

### **7. CORRECTIVE ACTION PLAN**

Under Government Auditing Standards, you are required to submit a corrective action plan for any audit findings listed within internal control and compliance reports. Any corrective action plans relating to the fiscal year ending June 30, 2009 must be complete and submitted to PCAR and/or PCADV along with the one copy of their audited financial statements. A corrective action plan is required for any items disclosed in the management letter.

At a minimum, the corrective action plan should contain the following items:

- a. Description of "Auditor's Finding."
- b. Description of "Auditor's Recommendation."
- c. Action that has been taken or will be taken.
- d. Person (people) responsible for overseeing that the action will be taken.
- e. Date of Implementation.
- f. If no action regarding finding will be taken, give detailed explanation as to the reason for not doing so.

**SPECIFIC REQUIREMENTS –GENERAL-CONTINUED**

**8. PROGRAM RESPONSE TO MANAGEMENT LETTER COMMENTS**

Under the respective contracts, you are required to submit a response to comments contained in the management letter issued by your auditor. This response is required as part of our monitoring process within the contract. This response must include a corrective action plan and be submitted to PCAR and/or PCADV with the audited financial statements.

**9. PROGRAM RESPONSE TO STATEMENT ON AUDITING STANDARDS (SAS) 112 LETTER**

Under the respective contracts, you are required to submit a response to comments contained in the SAS 112 Letter issued by your auditor. This response is required as part of our monitoring process within the contract. This response must include a corrective action plan and be submitted to PCAR and/or PCADV with the audited financial statements.

**10. AUDITOR'S REPORTS**

AICPA's audit guide provides comprehensive illustrations of reports and opinions that might be warranted.

**11. CONFIDENTIALITY**

Auditors will not be permitted to review service recipient records as a part of their examination. There are no eligibility requirements for receiving services under the Contract and the Commonwealth of Pennsylvania permits program monitoring by PCAR and/or PCADV, DPW or DOH personnel.

## **SPECIFIC REQUIREMENTS – SINGLE AUDIT**

### **MINIMUM REQUIRED STATEMENTS/SCHEDULES TO BE INCLUDED IN THE AUDITED FINANCIAL STATEMENT PACKAGE**

In summary, the following statements/schedules are minimum content requirements:

#### **BOUND**

1. Independent Auditors' opinion of financial statements and supplementary schedule of federal awards.
2. Statement of financial position.
3. Statement of activities.
4. Statement of functional expenses (applicable to Voluntary Health and Welfare Organizations only).
5. Statement of cash flows.
6. Notes to the financial statements.
7. Schedule of expenditures of federal awards.
8. Independent Auditors' report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
9. Independent Auditors' report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.
10. Schedule of findings and questioned costs.
11. Summary schedule of prior audit findings.
12. Corrective action plan.
13. Schedule of Budgeted, Reported and Allowable costs (One for each funding component such as Title XX, Act 44, etc.).
14. Combined Schedule of Budgeted, Reported and Allowable Costs with Funding Reconciliation.

#### **UNBOUND**

1. Data collection form.
2. Management letter, including SAS 112 internal control communications.
3. Verification of post-audit conference.
4. Checklist II.

## **SPECIFIC REQUIREMENTS – YELLOW BOOK**

### **MINIMUM REQUIRED STATEMENTS/SCHEDULES TO BE INCLUDED**

#### **BOUND**

1. Independent Auditors' opinion of financial statements.
2. Statement of financial position.
3. Statement of activities.
4. Statement of functional expenses (applicable to Voluntary Health and Welfare Organizations only).
5. Statement of cash flows.
6. Notes to the financial statements.
7. Independent Auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
8. Schedule of finding and questioned costs.
9. Summary schedule of prior audit findings.
10. Corrective action plan.
11. Schedule of Budgeted, Reported and Allowable Costs (One for each funding component such as Title XX, Act 44, etc.).
12. Combined Schedule of Budgeted, Reported and Allowable Costs with Funding Reconciliation.

#### **UNBOUND**

1. Management letter, including SAS 112 internal control communications.
2. Verification of post-audit conference.
3. Checklist II.

**SPECIFIC REQUIREMENTS – COMPLIANCE ATTESTATION**

**BOUND**

1. Independent Accountant's Report in accordance with guidelines issued by the AICPA; SSAE, Section 601.
2. Schedule of Budgeted, Reported and Allowable Costs (One for each funding component such as Title XX, Act 44, etc.).
3. Combined Schedule of Budgeted, Reported and Allowable Costs with Funding Reconciliation.

**UNBOUND**

1. Checklist III

Examples of the schedules are included in the Exhibits section of these guidelines.

**SPECIFIC REQUIREMENTS – AGREED UPON PROCEDURES**

**BOUND**

1. Verify by comparison of the amounts and classifications that the Schedule of Expenses for the year ended June 30, 2009, has been accurately compiled in accordance with both the provisions of the contract between PCAR/PCADV and the contractor and the books, records, and approved budgets of the contractor. Also, verify by comparison the amounts and classifications that the monthly invoices for reimbursement have been accurately compiled on the cash basis of accounting (except for requests for advances and the final invoice which should be on the accrual basis of accounting) and reflect the books and records of the contractor.
2. Verify by comparison, the amounts and classifications that the schedule of revenues received and receivable for the year ended June 30, 2009, have been accurately compiled and reflects the books and records of the contractor.
3. Determine compliance to the Fiscal Standards rider to the Contract between the Contractor and PCAR and/or PCADV.
4. Determine compliance with PCAR and/or PCADV match requirements.
5. Inquire of management regarding any adjustments to the reported information that should be made and/or were not reflected on the reports submitted to PCAR and /or PCADV.
6. Disclose whether the processes detailed in the above paragraphs resulted in adjustments and/or findings that have/have not been reflected on the corresponding schedules and detail those findings.
7. Prepare Agreed-Upon Procedures report in accordance with guidelines issue by AICPA.

**UNBOUND**

1. Checklist IV

Examples of the schedules are included in the Exhibits section of these guidelines.

## **CHECKLISTS**

ENGAGEMENT LETTER CHECKLIST I - This checklist and the applicable attachments must accompany the audit engagement letter. Your organization's auditors must sign the checklist.

FINANCIAL STATEMENT CHECKLIST II - This checklist must accompany the financial statements and must be signed by the Executive Director of your organization. The purpose of this form is to reduce audit deficiencies by having the Executive Director perform a desktop review of the audit before submission to PCAR and/or PCADV.

COMPLIANCE ATTESTATION CHECKLIST III - This checklist must accompany the report and must be signed by the Executive Director of your organization.

AGREED-UPON PROCEDURES CHECKLIST IV - This checklist must accompany the report and must be signed by the Executive Director of your organization.

**ANY DOCUMENTS SUBMITTED WITHOUT THE COMPLETED CHECKLISTS WILL BE RETURNED.**

## CHECKLIST I

### PCAR AND/OR PCADV CONTRACTORS ENGAGEMENT LETTER CHECKLIST

(To be Signed by Auditor and Attached to Engagement Letter)

Engagement letter contains/references the following:

	<u>Yes/No</u>	<u>Page#</u>
1. Year ending is June 30, 2009.	_____	_____
2. Audit relates to DPW funding.	_____	_____
3. Audit relates to DOH funding (PCAR Contractors only).	_____	_____
4. Audit in accordance with (Check One): GAAS GAGAS OMB Circular A-133	_____ _____ _____	_____ _____ _____
5. List of Non-audit Services required by Amendment No. 3 to the Yellow Book.	_____	_____
6. Examination procedures, when applicable.	_____	_____
7. Agreed-upon procedures, when applicable.	_____	_____
8. Report on Internal Control and compliance.	_____	_____
9. Pre-Audit Conference.	_____	_____
10. Post-Audit Conference.	_____	_____
11. Financial statements to be delivered on or before October 30, 2009.	_____	_____
12. Audit subject to approval by McKonly & Asbury LLP and/or Boyer & Ritter.	_____	_____
13. Letter signed by Client.	_____	_____
14. Letter signed by CPA.	_____	_____
15. Quality review letter attached.	_____	_____
16. Compliance with Continuing Education and Training letter.	_____	_____
17. Cost to perform the Audit disclosed.	_____	_____

By:

\_\_\_\_\_  
Auditor

## CHECKLIST II

### PCAR AND/OR PCADV CONTRACTORS EXECUTIVE DIRECTOR'S CHECKLIST FOR REVIEWING AUDITED FINANCIAL STATEMENTS

(To be signed by Executive Director and included with Financial Statements)

	<u>Yes/No</u>	<u>Page#</u>
1. Does the Auditor's Report identify each of the following statements?		
a. Statement of Financial Position.	_____	_____
b. Statement of Activity.	_____	_____
c. Statement of Changes in Net Assets.	_____	_____
d. Statement of Cash Flows.	_____	_____
e. Statement of Functional Expenses (if applicable).	_____	_____
2. Does the Auditor's Report identify the contract by number (PCADV only)?	_____	_____
3. Does the Auditor's Report refer to the following audit guidelines/standards that were used?		
a. Government Auditing Standards issued by the Comptroller General of the United States.	_____	_____
b. OMB Circular A-133, <i>Audits of States, Local Governments and Nonprofit Organizations</i> .	_____	_____
4. Do the footnotes to the financial statements include the following?		
a. The total dollars spent under the organization's sexual assault program and the domestic violence program during the period 7/1/08-6/30/09.	_____	_____
b. A statement that the match requirements of the PCAR and/or PCADV contracts were met.	_____	_____
c. A statement that interest earnings (if any) were spent on sexual assault and/or domestic violence contract related expenditures.	_____	_____
d. A statement whether or not the Agency received Federal Financial Assistance in excess of \$500,000.	_____	_____
5. Were the following additional reports issued by the auditor?		
a. Data Collection Form.	_____	_____
b. Independent Auditor's Report on Internal Control and Compliance with Applicable Laws and Regulations.	_____	_____

**CHECKLIST II**

**PCAR AND/OR PCADV CONTRACTORS  
EXECUTIVE DIRECTOR'S CHECKLIST FOR  
REVIEWING AUDITED FINANCIAL STATEMENTS - CONTINUED**

	<u>Yes/No</u>	<u>Page#</u>
6. Were the following schedules included in the financial statements?		
a. Schedules of Budgeted, Reported and Allowable Costs for each funding component.	_____	_____
b. Schedule of Budgeted, Reported, and Allowable Costs for PCAR and/or PCADV contract in total with a funding reconciliation.	_____	_____
c. Schedule of Federal Awards.	_____	_____
d. Schedule of Findings and Questioned Costs.	_____	_____
e. Statement of Status of Prior Years Findings and Questioned Costs.	_____	_____
7. Did the auditor submit one copy of the audit, and management letter required by PCAR and/or PCADV?	_____	_____
8. Did the auditor submit written verification of the post-audit conference?	_____	_____
9. Was the corrective action plan submitted to PCAR and/or PCADV?	_____	_____
10. Was the response to management letter comments submitted to PCAR and/or PCADV?	_____	_____

\_\_\_\_\_  
Agency

\_\_\_\_\_  
By:                    Executor Director

**CHECKLIST III**

**EXECUTIVE DIRECTOR'S CHECKLIST FOR REVIEWING COMPLIANCE ATTESTATION REPORT**

	<u>Yes/No</u>	<u>Page#</u>
1. Does the report include the following?		
a. Accountants' report prepared in accordance with guidelines issued by AICPA.	_____	_____
b. Schedule of expenses by contract funding component.	_____	_____
c. Schedule of revenue received and receivable.		
d. A statement that the match requirements of the PCAR and/or PCADV contracts were met.	_____	_____
2. Does the report refer to the contract number (PCADV only)?	_____	_____
3. Does the examination report on compliance include the following:		
a. Identification of the specified compliance requirements, including the period covered, and of the responsible party.	_____	_____
b. A statement that compliance with the specified requirements is the responsibility of the organization's management.	_____	_____
c. A statement that the examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the organization's compliance with those requirements and performing such other procedures as deemed necessary in the circumstances.	_____	_____
d. An opinion on whether the organization complied, in all material respects, with specified requirements based on the specified criteria.	_____	_____

\_\_\_\_\_  
Agency

\_\_\_\_\_  
By: Executive Director

**CHECKLIST IV**

**EXECUTIVE DIRECTOR'S CHECKLIST FOR REVIEWING AGREED-UPON PROCEDURES REPORT**

	<u>Yes/No</u>	<u>Page#</u>
1. Does the report include the following?		
a. Accountants' report prepared in accordance with guidelines issued by AICPA.	_____	_____
b. Schedule of expenses by contract funding component.	_____	_____
c. Schedule of revenue received and receivable.		
d. A statement that the match requirements of the PCAR and/or PCADV contracts were met.	_____	_____
2. Does the report refer to the contract number (PCADV only)?		
3. Does the report comment on the procedures performed?		
a. Compare amounts and classifications of expenses.	_____	_____
b. Compare amounts and classifications of revenues.	_____	_____
c. Inquire of management as to existence of adjustments and disclosure thereof.	_____	_____
d. Determine compliance to Fiscal Standards Rider	_____	_____

\_\_\_\_\_  
Agency

\_\_\_\_\_  
By: Executive Director

**SAMPLE OF POST AUDIT - CONFERENCE MEMO**

**POST-AUDIT CONFERENCE**

This memo will serve as written verification that a post-audit conference was held between (Name of Contractor) and (Name of Auditor).

Date: \_\_\_\_\_

Time: \_\_\_\_\_

Place: \_\_\_\_\_

\_\_\_\_\_

Signature of Auditor

\_\_\_\_\_

Signature of Director

SAMPLE

Contractor Name  
Schedule of Expenses  
Contract Number XXXX  
Year Ended June 30, 20XX

	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Questioned Costs</u>
Budgeted Categories:			
Personnel			
Salaries			
Fringe Benefits			
Operations:			
Consultant			
Travel			
Office Supplies			
Telephone			
Postage			
Totals			

SAMPLE

Contractor Name  
Schedule of Revenues  
Contract Number XXXX  
Year Ended June 30, 20XX

Received During:

July  
August  
September  
October  
November  
December  
January  
February  
March  
April

Receivable at June 30:

May  
June

Total

NOTE: PCADV contract allocation (Title XX; General Funds-Acts 44/Medical Advocacy; FVPS; SDFSCA; Act 222; PHHSBG; SSBG/Welfare; SSBG/Medical Advocacy; SSBG/Relocation Funds; and SSBG/Civil Legal Representation) and PCAR contract allocations (Title XX; Act 44; PHHSBG; and Rape P&E) must be presented on separate schedules.

Sample Financial Statement Schedule Format for PCAR/PCADV  
Budgeted, Reported and Allowable Costs

ABC [Name of Contractor]  
Title XX [Contract Allocation]  
PCADV-123456789[Contract Number]  
SCHEDULE OF BUDGETED, REPORTED AND ALLOWABLE COSTS  
FOR THE YEAR ENDED JUNE 30, 20XX

	<u>Allowable Costs Per Audit</u>				
	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Total</u>	<u>Over (Under) Budget</u>	<u>Questioned Costs</u>
-					
Budget Categories:					
Personnel:					
Salaries	\$32,000	\$32,000	\$31,000	(\$1,000)	\$500 (A)
Fringe Benefits	<u>8,000</u>	<u>4,200</u>	<u>5,500</u>	<u>( 2,500)</u>	<u>-</u>
	40,000	36,200	36,500	( 3,500)	500
Operations:					
Consultants	1,500	1,500	1,500	0	
Travel	6,400	6,400	6,200	( 200)	
Office Supplies	600	500	500	( 100)	
Telephone	1,200	1,500	1,500	300	180 (B)
Postage	<u>300</u>	<u>200</u>	<u>200</u>	<u>( 100)</u>	<u>-</u>
	<u>10,000</u>	<u>10,100</u>	<u>9,900</u>	<u>( 100)</u>	<u>180</u>
Totals	<u>\$50,000</u>	<u>\$46,300</u>	<u>\$46,400</u>	<u>(\$3,600)</u>	<u>\$680</u>

(A) See Report Finding #12

(B) See Report Finding #13

**NOTE: A combined statement of the separate Schedules of Budgeted, Reported and Allowable Costs with a Funding Reconciliation is also a required schedule.**

Sample Financial Statement Schedule Format for PCAR/PCADV  
Combined Schedule of Budgeted, Reported and Allowable Costs with Funding Reconciliation

ABC [Name of Contractor]  
 PCADV-123456789[Contract Number]  
 COMBINED SCHEDULE OF BUDGETED, REPORTED AND  
 ALLOWABLE COSTS WITH FUNDING RECONCILIATION  
 FOR THE YEAR ENDED JUNE 30, 20XX

			Allowable Costs Per Audit		
	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Total</u>	<u>Over (Under) Budget</u>	<u>Questioned Costs</u>
<b>Budget Categories:</b>					
Title XX:					
Personnel	\$40,000	\$36,200	\$36,500	(\$3,500)	\$500 (A)
Operations	10,000	10,100	9,900	( 100)	180 (B)
Act 44:					
Personnel	10,000	10,000	10,000	0	
Operations	55,000	55,000	55,000	0	
FVPS:					
Personnel	10,000	10,000	10,000	0	
Operations	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>0</u>	<u>-</u>
Totals	<u>\$131,000</u>	<u>\$127,300</u>	<u>\$127,400</u>	<u>(\$3,600)</u>	<u>\$680</u>

Funding Reconciliation

Approved contract received as of June 30, 20XX	\$115,000
Approved contract receivable at June 30, 20XX	<u>12,300</u>
	\$127,300

Allowable Costs	
Allowable Costs	\$126,720
Questioned Costs	<u>680</u> <u>127,400</u>

Due to (from) PCADV (\$ 100)

(A) See Report Finding #12  
 (B) See Report Finding #13

Sample Financial Statement Schedule Format for PCAR PHHSBG Funding  
Budgeted, Reported and Allowable Costs Year 1

**ABC [Name of Contractor]**  
**PREVENTATIVE HEALTH AND HEALTH SERVICES BLOCK GRANT**  
**PCAR CONTRACT**  
**SCHEDULE OF BUDGETED, REPORTED AND ALLOWABLE COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Contract Period: 7/1/08 - 9/30/08

Budget Category	Approved Budget	10/01/07-6/30/08 Reported Costs	7/1/08-9/30/08 Reported Costs	Allowable Costs		
				Contract Total	(Over) Under Budget	Questioned Costs
<b>Personnel</b>						
Salaries	\$ 5,000	\$ 3,500	\$ 1,500	\$ 5,000	\$ -	\$ -
Benefits	1,000	750	250	1,000	-	-
<b>Total personnel</b>	<b>6,000</b>	<b>4,250</b>	<b>1,750</b>	<b>6,000</b>	<b>-</b>	<b>-</b>
<b>Operations</b>						
Consultants	500	300	200	500	-	-
Travel	200	150	50	200	-	-
Office Supplies	300	250	50	300	-	-
Telephone	200	125	75	200	-	-
Postage	100	60	40	100	-	-
<b>Total operations</b>	<b>1,300</b>	<b>885</b>	<b>415</b>	<b>1,300</b>	<b>-</b>	<b>-</b>
<b>Totals</b>	<b>\$ 7,300</b>	<b>\$ 5,135</b>	<b>\$ 2,165</b>	<b>\$ 7,300</b>	<b>\$ -</b>	<b>\$ -</b>

Sample Financial Statement Schedule Format for PCAR PHHSBG Funding  
Budgeted, Reported and Allowable Costs - Year 2

**ABC [Name of Contractor]**  
**PREVENTATIVE HEALTH AND HEALTH SERVICES BLOCK GRANT**  
**PCAR CONTRACT**  
**SCHEDULE OF BUDGETED, REPORTED AND ALLOWABLE COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Contract Period: 10/1/08 - 9/30/09

Budget Category	Approved Budget	10/1/08-6/30/09		Allowable Costs		
		Reported Costs	Contract Total	(Over) Under Budget	Questioned Costs	
<b>Personnel</b>						
Salaries	\$ 12,000	\$ 9,500	\$ 9,500	\$ 2,500	\$ -	
Benefits	2,800	2,300	2,300	500	-	
<b>Total personnel</b>	<b>14,800</b>	<b>11,800</b>	<b>11,800</b>	<b>3,000</b>	<b>-</b>	
<b>Operations</b>						
Consultants	2,000	1,100	1,100	900	-	
Travel	800	300	300	500	-	
Office Supplies	1,200	900	900	300	-	
Telephone	800	600	600	200	-	
Postage	400	300	300	100	-	
<b>Total operations</b>	<b>5,200</b>	<b>3,200</b>	<b>3,200</b>	<b>2,000</b>	<b>-</b>	
<b>Totals</b>	<b>\$ 20,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 5,000</b>	<b>\$ -</b>	

Note: All funds were not spent as of 6/30/09 due to the fact that the contract does not end until 9/30/09

Sample Financial Statement Schedule Format for PCAR Rape P&E Funding  
Budgeted, Reported and Allowable Costs - Year 1

**ABC [Name of Contractor]**  
**RAPE PREVENTION AND EDUCATION**  
**PCAR CONTRACT**  
**SCHEDULE OF BUDGETED, REPORTED AND ALLOWABLE COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Contract Period: 11/1/07 - 10/31/08

Budget Category	Approved Budget	11/1/07-6/30/08 Reported Costs	7/1/08-10/31/08 Reported Costs	Allowable Costs		
				Contract Total	(Over) Under Budget	Questioned Costs
<b>Personnel</b>						
Salaries	\$ 18,000	\$ 12,000	\$ 6,100	\$ 18,100	\$ (100)	\$ -
Benefits	6,000	4,000	2,000	6,000	-	-
<b>Total personnel</b>	<b>24,000</b>	<b>16,000</b>	<b>8,100</b>	<b>24,100</b>	<b>(100)</b>	<b>-</b>
<b>Operations</b>						
Consultants	2,000	1,300	600	1,900	100	-
Travel	1,000	700	300	1,000	-	-
Office Supplies	1,500	1,000	500	1,500	-	-
Telephone	1,000	700	300	1,000	-	-
Postage	500	300	200	500	-	-
<b>Total operations</b>	<b>6,000</b>	<b>4,000</b>	<b>1,900</b>	<b>5,900</b>	<b>100</b>	<b>-</b>
<b>Totals</b>	<b>\$ 30,000</b>	<b>\$ 20,000</b>	<b>\$ 10,000</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ -</b>

Sample Financial Statement Schedule Format for PCAR Rape P&E Funding  
Budgeted, Reported and Allowable Costs - Year 2

**ABC [Name of Contractor]**  
**RAPE PREVENTION AND EDUCATION**  
**PCAR CONTRACT**  
**SCHEDULE OF BUDGETED, REPORTED AND ALLOWABLE COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Contract Period: 11/1/08 - 10/31/09

Budget Category	Approved Budget	11/1/08-6/30/09		Allowable Costs		
		Reported Costs	Total	(Over) Under Budget	Questioned Costs	
<b>Personnel</b>						
Salaries	\$ 20,000	\$ 15,000	\$ 15,000	\$ 5,000	\$ -	
Benefits	5,000	3,000	3,000	2,000	-	
<b>Total personnel</b>	<b>25,000</b>	<b>18,000</b>	<b>18,000</b>	<b>7,000</b>	<b>-</b>	
<b>Operations</b>						
Consultants	1,500	700	700	800	-	
Travel	500	200	200	300	-	
Office Supplies	1,500	500	500	1,000	-	
Telephone	1,000	400	400	600	-	
Postage	500	200	200	300	-	
<b>Total operations</b>	<b>5,000</b>	<b>2,000</b>	<b>2,000</b>	<b>3,000</b>	<b>-</b>	
<b>Totals</b>	<b>\$ 30,000</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 10,000</b>	<b>\$ -</b>	

Note: All funds were not spent as of 6/30/09 due to the fact that the contract does not end until 10/31/09

**Independent Accountant's Report**

[Introductory Paragraph]

We have examined [*name of entity*]'s compliance with the terms and conditions of the [name of entity's] contract(s) with Pennsylvania Coalition Against Rape and the Pennsylvania Coalition against Domestic Violence *and with the laws and regulations applicable to the receipt and expenditure of funds under [Title XX, General Funds: Act 44/Medical Advocacy, FVPS, SDFSCA, Act 222, PHHSBG, SSBG/Welfare, SSBG/Medical Advocacy, SSBG Civil Legal Representation, SSBG/Relocation Funds, Act 44, PHHS, Rape P&E – include all that apply] Programs during the year ended June 30, 20XX. Management is responsible for [*name of entity*]'s compliance with those-requirements. Our responsibility is to express an opinion on [*name of entity*]'s compliance based on our examination.*

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about [*name of entity*]'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on [*name of entity*]'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, [*name of entity*] complied, in all material respects, with the aforementioned contractual requirements for the year ended June 30, 20XX.

This report is intended solely for the information and use of the Board of Directors, management, the Department of Public Welfare, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

[DATE]

[SIGNATURE]

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**SUBRECIPIENT / VENDOR AUDITS**

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**AUDIT CLAUSE A – SUBRECIPIENT  
Local Governments and Nonprofit Organizations  
ENCLOSURE I**

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The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

**Independent Accountant's Report**

[Introductory Paragraph]

We have examined *[name of entity]*'s compliance with *[list specific compliance requirement]* during the *[period]* ended *[date]*. Management is responsible for *[name of entity]*'s compliance with those requirements. Our responsibility is to express an opinion on *[name of entity]*'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about *[name of entity]*'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on *[name of entity]*'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, *[name of entity]* complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]